101-115

Public Law 101-115
101st Congress

An Act

To authorize appropriations for fiscal year 1990 for the Maritime Administration, and for other purposes.

Oct. 13, 1989
[H.R. 1486]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATIONS FOR MARITIME ADMINISTRATION

SECTION 1. In fiscal year 1990, the following amounts are authorized to be appropriated for the Maritime Administration:

(1) any amounts necessary to liquidate obligations under operating-differential subsidy contracts for the fiscal year 1990 portion of the total of current contract authority;

(2) $3,750,000 for research and development activities, to remain available until expended, including—

(A) $2,250,000 for vessel design and shipyard studies; and

(B) $1,500,000 for other research;

(3) $33,205,000 for expenses related to manpower, education, and training, including—

(A) $23,157,000 for maritime training at the Merchant Marine Academy at Kings Point, New York;

(B) $8,670,000 for assistance to the State maritime academies and the current fleet of five training ships; and

(C) $1,378,000 for manpower and additional training;

(4) $25,966,000 for operating programs, including—

(A) $17,353,000 for general administration;

(B) $957,000 for development of water transportation systems; and

(C) $7,156,000 for use of water transportation systems; and

(5) such sums as are necessary for expenses related to national security support capabilities, including—

(A) fleet additions, replacements, acquisitions, and upgrading of vessels for the Ready Reserve Force, maintenance and operations programs in support of the Ready Reserve Force, Ready Reserve Force facilities, Ready Reserve Force vessel conversions, and other programs in the National Defense Reserve Fleet; and

(B) emergency planning operations.

STUDENT INCENTIVE PAYMENT AGREEMENTS

SEC. 2. (a) Section 1304(g)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(g)(1)), is amended—

(1) in subparagraph (B), by striking "and" the second place it appears;

(2) by striking subparagraph (C); and

(3) by adding at the end the following new subparagraphs:

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"(C) paid by the Secretary to the individual for the first complete or partial academic year of attendance in a lump sum of $1,200 or in amounts prorated on the basis of actual attendance, and at a time during the second academic year when the individual enters into an agreement accepting midshipman and enlisted reserve status as required under paragraph (2); and

"(D) paid by the Secretary, for the academic years after those years specified in subparagraph (C), as the Secretary shall prescribe while the individual is attending the academy.".

(b) Section 1304(g)(2) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(g)(2)), is amended by striking "apply for midshipman" and inserting in lieu thereof "accept midshipman and enlisted reserve".

(c) Section 1304(g)(3)(D) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(g)(3)(D)), is amended by striking "to apply for an appointment as,".

(d) Section 1304(g)(4) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(g)(4)), is amended by striking "has attended a State maritime academy for not less than 2 years" and inserting in lieu thereof "has accepted the payment described in paragraph (1)(C) of this subsection".

46 USC app. 1295c note.

(e) The amendments made by this section apply to individuals who commence attendance after December 31, 1989, at a State maritime academy in accordance with section 1304 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c).

COAST GUARD EXAMINATION REQUIREMENT

SEC. 3. (a) Section 1304(f)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(f)(1)), is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) agree in writing to require, as a condition for graduation, that each individual who is a citizen of the United States and who is attending the academy in a merchant marine officer preparation program shall pass the examination administered by the Coast Guard required for issuance of a license under section 7101 of title 46, United States Code.".

46 USC app. 1295c note.

(b) The requirement set forth in subsection (f)(1)(C) of section 1304 of the Merchant Marine Act, 1936, as added by subsection (a) of this section, shall be a condition to any payment or use of any vessel received by a State maritime academy under such section 1304 after December 31, 1989.

STUDY

46 USC app. 1295c note.

SEC. 4. With the funds authorized under this Act, the Secretary of Transportation, after consultation with other agencies in the executive branch and the State, regional, and Federal maritime academies, shall submit to the Congress a study within one year to determine how currently employed training vessels, United States-flag commercial vessels, vessels in the Ready Reserve Force, and other vessels under the control of the United States Government may be used to provide training opportunities for State, regional, and Federal maritime academy students that will produce licensed graduate officers. The study shall include data on the cost effective-

ness to the United States Government; the cost impact on the affected State governments; the safety of any vessels involved; the safety of the students; the operational and scheduling impact upon the several entities involved; liability exposure; and the impact on national security sealift. The Secretary shall not implement any ship sharing program until not less than sixty days after the submission of the study to the Congress.

PAYMENTS TO MARITIME ACADEMIES

SEC. 5. Section 1304(d)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(d)(1)) is amended—

(1) by redesignating the existing text as subparagraph (A);

(2) by striking the second sentence of subparagraph (A) as so redesignated; and

(3) by adding at the end the following new subparagraphs:

"(B) Subject to subparagraph (C), the annual payment to such State maritime academy shall be at least equal to the amount given to the academy for its maintenance and support by the State in which it is located, and to such regional maritime academy shall be at least equal to the amount given the academy by all States and territories cooperating to sponsor the academy.

"(C) The amount under subparagraph (B) may not be more than $25,000, except that the amount shall be—

"(i) $100,000 to such State maritime academy if the academy meets the condition set forth in subsection (f)(2); or

"(ii) $200,000 to such regional maritime academy if the academy meets the condition set forth in subsection (f)(2).".

NATIONAL DEFENSE RESERVE FLEET

Armed Forces.

SEC. 6. Section 11 of the Merchant Ship Sales Act of 1946 (50 App. U.S.C. 1744) is amended to read as follows:

"NATIONAL DEFENSE RESERVE FLEET

"SEC. 11. (a) The Secretary of Transportation shall maintain a National Defense Reserve Fleet, including any vessel assigned by the Secretary to the Ready Reserve Force component of the fleet, consisting of those vessels owned or acquired by the United States Government that the Secretary of Transportation, after consultation with the Secretary of the Navy, determines are of value for national defense purposes and that the Secretary of Transportation decides to place and maintain in the fleet.

"(b) Except as otherwise provided by law, a vessel in the fleet may be used—

"(1) for an account of an agency of the United States Government in a period during which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1242); or

"(2) on the request of the Secretary of the Navy, and in accordance with memoranda of agreement between the Secretary of Transportation and the Secretary of Defense, for—

"(A) testing for readiness and suitability for mission performance;

"(B) defense sealift functions for which other sealift assets are not reasonably available; and

"(C) support of the deployment of the United States armed forces in a military contingency, for military contingency operations, or for civil contingency operations upon orders from the National Command Authority;

"(3) for otherwise lawfully permitted storage or transportation of non-defense-related cargo as directed by the Secretary of Transportation with the concurrence of the Secretary of Defense; or

"(4) for training purposes to the extent authorized by the Secretary of Transportation with the concurrence of the Secretary of Defense.

"(c) The Secretary of Transportation shall not require bid, payment, performance, payment and performance, or completion bonds from contractors for repair, alteration, or maintenance of vessels of the National Defense Reserve Fleet unless—

"(1) required by law; or

"(2) the Secretary determines, after investigation, that the imposition of such bonding requirements would not preclude any responsible potential bidder or offeror from competing for award of the contract."

WAR RISK INSURANCE

SEC. 7. (a) Section 1202 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1282), is amended by adding at the end the following new subsection:

"(c) Insurance and reinsurance for vessels may be provided by the Secretary under this title only on the condition that such vessels be available for the United States in time of war or national emergency.".

(b) Section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294), is amended by striking "1990" and substituting "1995"

NATIONAL MARITIME ENHANCEMENT INSTITUTES

46 USC app. 1121-2.

SEC. 8. (a) The Secretary of Transportation may designate National Maritime Enhancement Institutes.

(b) Activities undertaken by such an Institute may include—

(1) conducting research concerning methods for improving the performance of maritime industries;

(2) enhancing the competitiveness of domestic maritime industries in international trade;

(3) forecasting trends in maritime trade;

(4) assessing technological advancements;

(5) developing management initiatives and training;

(6) analyzing economic and operational impacts of regulatory policies and international negotiations or agreements pending before international bodies;

(7) assessing the compatibility of domestic maritime infrastructure systems with overseas transport systems;

(8) fostering innovations in maritime transportation pricing; and

(9) improving maritime economics and finance.

Regulations.

(c) An institution seeking designation as a National Maritime Enhancement Institute shall submit an application under regulations prescribed by the Secretary.

(d) The Secretary shall designate an Institute under this section on the basis of the following criteria:

(1) the demonstrated research and extension resources available to the designee for carrying out the activities specified in subsection (b);

(2) the capability of the designee to provide leadership in making national and regional contributions to the solution of both long-range and immediate problems of the domestic maritime industry;

(3) the existence of an established program of the designee encompassing research and training directed to enhancing maritime industries;

(4) the demonstrated ability of the designee to assemble and evaluate pertinent information from national and international sources and to disseminate results of maritime industry research and educational programs through a continuing education program; and

(5) the qualification of the designee as a nonprofit institution of higher learning.

(e) The Secretary may make research grants, on an equal matching basis, to an institute from amounts appropriated pursuant to section 1(2)(B). The aggregate amount of such grants shall not exceed $100,000.

Approved October 13, 1989.

LEGISLATIVE HISTORY—H.R. 1486:

HOUSE REPORTS: No. 101-39 (Comm. on Merchant Marine and Fisheries).
SENATE REPORTS: No. 101-119 (Comm. on Commerce, Science, and Transportation).
CONGRESSIONAL RECORD, Vol. 135 (1989):
May 2, considered and passed House.
Sept. 21, considered and passed Senate, amended.
Oct. 2, House concurred in Senate amendments.

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